COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE

COMMISSION OF THE APPLICATION OF THE

FUEL ADJUSTMENT CLAUSE OF

GRAYSON RURAL

ELECTRIC COOPERATIVE

CORPORATION FROM MAY 1, 1987,

TO OCTOBER 31, 1987

ORDER

Pursuant to 807 KAR 5:056, Section 1(11), the Public Service Commission ("Commission") issued an Order on November 23, 1987, Gravson Rural Electric Cooperative Corporation requiring ("Grayson") to notify its customers of a hearing to be held on February 11, 1988. Grayson was not required to appear at the scheduled hearing unless an appearance was requested by the Attorney General's Utility and Rate Intervention Division or other interested parties, or by the Commission on its own motion. Furthermore. Grayson filed an affidavit stating its compliance with the provisions of the Fuel Adjustment Clause as prescribed in 807 Grayson also filed its monthly fuel charges for the KAR 5:056. 6-month period under review.

Following proper notice, no party of record requested Grayson to appear at the hearing scheduled for February 11, 1988. After reviewing Grayson's monthly fuel clause filings for the 6-month period under review, the Commission is of the opinion that Grayson has complied with the provisions of 807 KAR 5:056.

IT IS THEREFORE ORDERED that the charges and credits billed by Grayson through the fuel adjustment clause for the period May 1, 1987, through October 31, 1987, be and they hereby are approved.

Done at Frankfort, Kentucky, this 11th day of March, 1988.

PUBLIC SERVICE COMMISSION

Chairman D. Heman of

vice Chairman

Somissioner Williams L

ATTEST:

Executive Director